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The Trend of Business

IN THE UNITED STATES

Business Activity for the 4-week period ending March 21 was up 2 per cent from the previous 4 weeks, 15 per cent from the corresponding period in 1958, and for the first 2 months of the year was 11 per cent above last year according to the New York *Times* activity index.

Freight Car Loadings for the same 4-week period were up 3 per cent from the previous 4 weeks, 9 per cent from the corresponding period last year, and for the first 2 months of the year were 6 per cent above last year.

Total Personal Income was up fractionally in February from January, 5 per cent from February 1958, and 4 per cent for the first 2 months of the year.

Bank Debits outside New York City were down 3 per cent in February from January but were 12 per cent above February 1958, and for the first 2 months of the year were 8 per cent above last year.

Industrial Production as measured by the Federal Reserve Board index was up 2 per cent in February from January, 11 per cent from February 1958, and for the first 2 months of the year was 9 per cent above last year.

Electric Power Production was down 10 per cent in February from January but was 8 per cent above February 1958.

Steel Production was up 14 per cent in February from January and 66 per cent from February 1958 with the industry operating at 85 per cent of theoretical capacity.

(Continued on page 2)

IN OHIO

Personal Income in February was up 1 per cent from January, 5 per cent from February 1958, and for the first 2 months of the year was 5 per cent above last year.

Bank Debits in 16 Ohio cities were down 2 per cent in February from January but were 9 per cent above February 1958, and for the first 2 months of the year were 4 per cent above last year.

Agricultural Income was down 13 per cent in February from January, 4 per cent from February 1958, and 3 per cent for the first 2 months of the year.

Electric Power Production in February was 1 per cent below January but was up 13 per cent from February 1958, and for the first 2 months of the year was 11 per cent above last year.

Retail Sales were down 5 per cent in February from January but were 10 per cent above February 1958, and for the first 2 months of the year were 7 per cent above last year.

Department Store Sales were down 3 per cent in February from January but were 9 per cent above February 1958, and for the first 2 months of the year were 3 per cent above last year.

New Passenger Automobile Registrations in 53 counties were up 8 per cent in February from January, 39 per cent from February 1958, and 28 per cent for the first 2 months of the year.

THE DECLINE IN ECONOMIC GROWTH

The Joint Economic Committee of Congress is currently holding hearings and conducting investigations relative to the growth rate of the U. S. economy. Nagging unemployment, the threat of a rapidly expanding Soviet economy, our growing population, and many pressing needs, ranging from national security to schools, sewers, and roads, all combine to make economic growth almost as common a topic of discussion as the weather. This article is an attempt to clarify some issues in the growth rate debate. What is growth? What is our growth rate? How does recent growth compare with past performance? What can we expect in the future?

Growth Defined

Stated most simply, growth is the expansion of total output of goods and services, that is, the expansion of gross national product (GNP). However, our concern with growth stems from the satisfaction of human needs and wants which increased output makes possible. Therefore, an equally, if not more, important conception of growth is the expansion of *per capita* GNP. Unless total output expands faster than population there is no increase in individual well-being.

The growth rate is the percentage increase per year in GNP or, more important, in *per capita* GNP. Table 1 shows both of these growth rates for selected past periods.

The Slowdown in Growth

For the 75 years ending in 1950, the U. S. economy grew at a compound rate of about 3.5 per cent per year,

TABLE 1—COMPOUND GROWTH RATES, PER CENT PER YEAR, FOR SELECTED INDICATORS, U. S., 1875-1957

Period	Real GNP[1]	Population	Real Per Capita GNP
	Per cent		
1929-1957	2.93	1.22	1.69
1940-1957	4.12	1.54	2.55
1948-1957	3.75	1.74	1.99
1950-1957	3.62	1.74	1.85
1953-1957	2.35	1.76	0.58
1955-1957	1.79	1.78	0
1950-1953[2]	5.35	1.72	3.57
1950-1955[2]	4.37	1.73	2.59
1875-1950	3.50	1.61	1.85

Note 1: Real GNP is the actual dollar GNP corrected for changes in the price level.

Note 2: These figures are included to show the effect on growth of quasiwar conditions somewhat similar to the permanent condition in the Soviet Union.

Source: Years 1929 to 1957—Computed from the *Economic Report of the President*, January 1959, U. S. Government Printing Office, Washington, D. C.
Years 1875 to 1950—Moses Abramovitz, "Resource and Output Trends in the United States since 1870," *American Economic Review*, Vol. 46, No. 2, May 1956.

and per capita output rose about 1.85 per cent per year compounded. In the post-war period 1948-1957, both aggregate and per capita growth rates were slightly higher than the longterm historical rates. But it is significant to note that 47 per cent of the total growth in this period came in the three years 1950-1953 under the stimulus of the Korean War and forced draft operation of the economy.

(Continued on page 3)

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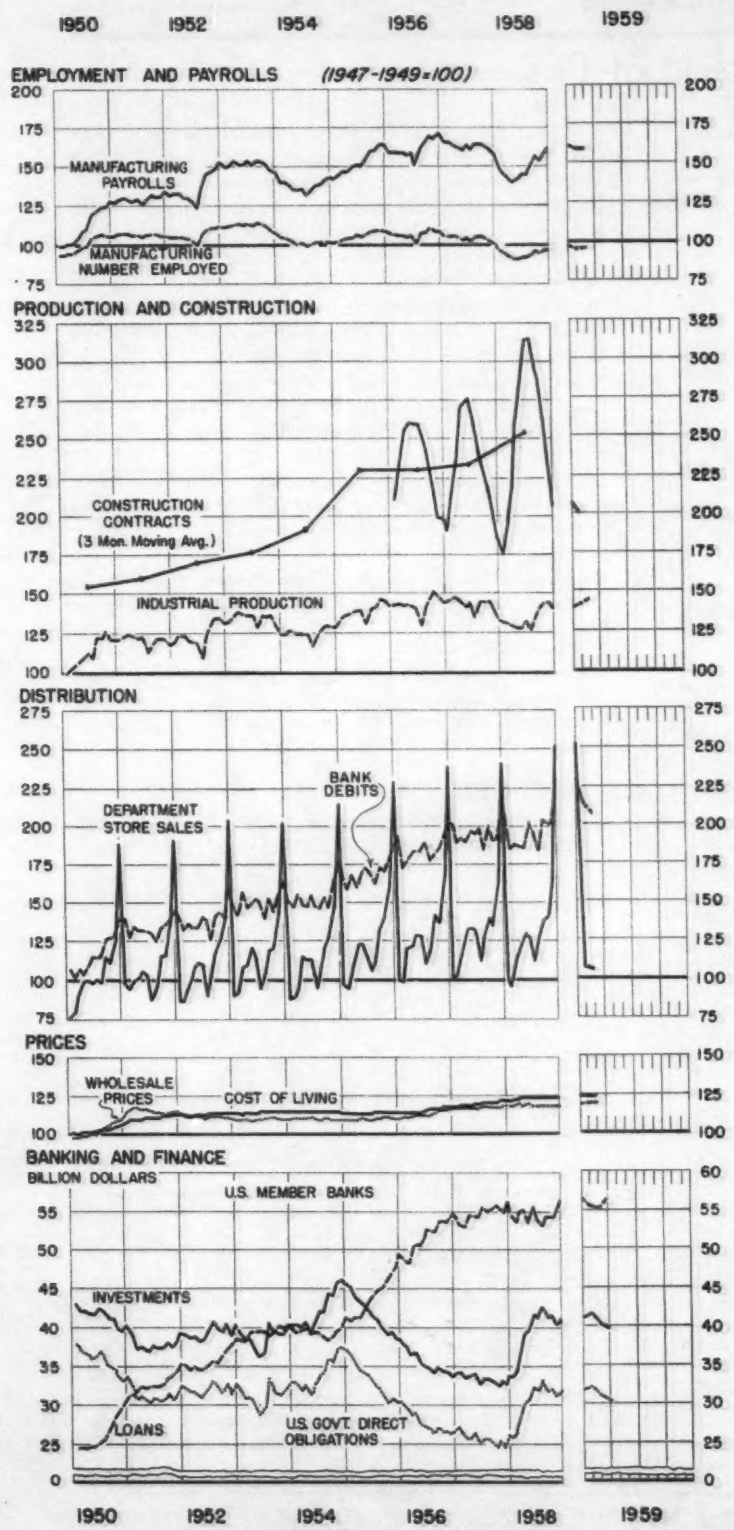
Business in the United States



IN THE UNITED STATES

(Continued from page 1)

For the 4-week period ending March 21 production was up 11 per cent from the previous 4 weeks, and 78 per cent from the corresponding period of last year.

Retail Sales in February were down 8 per cent from January but were 8 per cent above February 1958 and for the first 2 months of the year were 7 per cent above last year.

Department Store Sales were down 1 per cent in February from January but were 11 per cent above February 1958, and for the first 2 months of the year were 8 per cent above last year.

Construction Activity as measured by the value of contracts awarded was down 1 per cent in February from January but was 18 per cent above February 1958 and for the first 2 months of the year was 15 per cent above last year.

Commodity Prices at Wholesale were unchanged in February from January and were only fractionally above last year.

New Orders for Machine Tools were up 11 per cent in February from January, 61 per cent from February 1958, and for the first 2 months of the year were 57 per cent below last year.

●

FOOTNOTES FOR BULLETIN TABLES

* Machine tool shipments and orders revised in March 1958 to include metal-forming equipment. Revisions are carried back to January 1957, and percentages are based on revised totals.

† Changes in number of failures; [a] Figures in parentheses show number of firms reporting this month; [b] Data not available; [c] Only percentage of change available; [d] Adjusted for seasonal changes; [e] Bureau of Business Research estimate; [f] Adjusted for number of working days; [g] Data cover county area; [h] Includes additions, alternations and repairs along with residential and non-residential; [k] Fewer than 3 firms reporting; [m] Does not include benefits or claimants under the temporary Ohio law; [p] Preliminary; [r] Revised; [w] Weighted; [z] Less than 0.5%; [y] More than 1,000% increase.

Primary Sources:

Computed from original data collected by the Bureau of Business Research from: [1]Ohio Dyers and Cleaners; [2]County Clerks of Courts; [3]Local Power and Light Companies.

Computed by the Bureau of Business Research from data collected in cooperation with: [4]Bureau of the Census, U. S. Dept. of Commerce.

Computed by the Bureau of Business Research from data of: [5]Board of Governors of the Federal Reserve System; and from sample data supplied by: [6]Life Insurance Agency Management Association; [7]Federal Power Commission; [8]F. W. Dodge Corporation; [9]Division of Research and Statistics of the Ohio Bureau of Unemployment Compensation, collected in cooperation with the Bureau of Labor Statistics, U. S. Dept. of Labor; [10]Bureau of Labor Statistics, U. S. Dept. of Labor.

Other data sources: [11]*New York Times*; [12]Association of American Railroads; [13]Dun and Bradstreet, Inc.; [14]U. S. Dept. of Commerce; [15]U. S. Dept. of Agriculture; [16]American Iron and Steel Institute; [17]*Commercial and Financial Chronicle*; [18]Bureau of Labor Statistics, U. S. Dept. of Labor; [19]Federal Reserve Board; [20]Federal Power Commission; [21]Bureau of Mines, U. S. Dept. of the Interior; [22]National Machine Tool Builders' Association; [23]F. W. Dodge Corporation; [24]Saondard and Poor's Corporation; [25]Dept. of Agricultural Economics, O.S.U.; [26]Division of Research and Statistics of the Ohio Bureau of Unemployment Compensation; [27]*Steele*.

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← U. S. Reference Data

ITEM	Unit or Index Base Period	Feb. 1959	Jan. 1959	Change From: Last Month: Feb. 1959 from Jan. 1959	Change From: Last Year: Feb. 1959 from Feb. 1958	Change From: Last Year: 2 mos. 1959 from 1958
		(p)	(r)			
General Business						
Totals or Average Indexes for 4 Weeks Ended on Indicated Dates				%	%	%
Bus. Activity[11] 3-21-59	Comp. Norm.	218	214	+ 2	+ 15	+ 11
Fght. Carloadings[12] 3-21-59	Thous.	2,370	2,298	+ 3	+ 9	+ 6
Comm. Failures[13] 3-21-59	Number	1,187	1,195	— 1	— 14	— 9
Steel Prod.[10] 3-21-59	Av. Wkly. M. Tons	2,574	2,322	+ 11	+ 78	+ 59
Calendar Months						
Income (Seas. Adj. at Annual Rates):						
Total Pers. Income[14,d]	Bil. Dol.	365	363	+ x	+ 5	+ 4
Salaries, Wages Income[14,d]	" "	246	245	+ x	+ 6	+ 5
Nonagricultural Income[14,d]	" "	348	346	+ x	+ 5	+ 5
•Bank Debits (Excl. N.Y.C.)[6,f]	1947–49	207	213	— 3	+ 12	+ 8
Agr. Inc. (Cash from Mktgs.)[15]	"	b	118	b	b	b
Life Ins. Sales[9]	"	294	282	+ 4	+ 4	+ 2
Steel Ind. Oper. Rate[10]	% Capacity	85	74	+ 14	+ 58	+ 45
Employment and Pay Rolls						
•No. Employed—Manuf.[19]	1947–49	96	96	+ x	+ 1	— x
•Payrolls—Manufacturing[19]	"	158	158	+ x	+ 9	+ 7
Total Employed (Nonagr.)[14]	Thous.	58,030	58,013	+ x	+ 2	+ 1
Total Unemployed[14]	"	4,749	4,724	+ 1	— 8	— 2
Production						
•Industrial Prod.[19]	1947–49	145	142	+ 2	+ 11	+ 9
Electric Power Prod.[20]	Mil. K.W.H.	54,158	59,943	— 10	+ 8	+ 8
Bitum. Coal Prod.[21]	Thous. Tons	32,840	35,730	— 8	+ 3	— 2
Steel Prod.[10]	1947–49	150	131	+ 14	+ 66	+ 52
Pig Iron Prod.[10]	Thous. Tons	6,147	6,212	— 1	+ 53	+ 40
Machine Tools—Shipments[22a]	Mil. Dol.	36.10	31.30	+ 15	— 25	— 36
Machine Tools—New Orders[22a]	" "	45.50	41.05	+ 11	+ 61	+ 57
Construction (Value of Contracts—48 States)						
•Total[19] (3 Mos. Mov. Av.)	1947–49	b	200	b	b	b
Total[23]	Thous. Dol.	2,302,222	2,319,167	— 1	+ 18	+ 15
Residential[23]	" "	1,069,704	1,021,516	+ 5	+ 48	+ 39
Nonresidential[23]	" "	702,895	818,225	— 14	— 6	+ 1
Public Works and Utils.[23]	" "	529,623	479,426	+ 10	+ 11	+ x
Distribution						
Retail Sales[14]	Mil. Dol.	14,943	16,223	— 8	+ 8	+ 7
•Dept. Store Sales[19]	1947–49	105	106	— 1	+ 11	+ 8
Prices[18]						
•Wholesale Commodity Prices	1947–49	120	120	0	+ x	+ x
•Cost of Living	"	124	124	— x	+ 1	+ 1
Retail Food Prices	"	118	119	— 1	— x	+ x

Banking and Finance

ITEM	Unit or Index Base Period	Mar 18 1959	Mar. 19 1958	Mar. 20 1957	Change From: Last Month Amt.	Change From: Last Year Per Ct.
Federal Reserve Banks[16]						
U.S. Govt. Securities	Mil. Dol.	25,497	23,437	23,198	+ 22	+ 9
Member Bank Borrowings	" "	986	231	894	+ 504	+327
Member Banks—Leading Cities[25]						
•Total Loans	" "	56,451	55,160	54,486	+ 1,137	+ 2
Bus. & Agr. Loans & Open Mkt. Paper	" "	31,215	30,961	31,579	+ 963	+ 1
Brok. & Other Sec. Lns.	" "	3,312	3,871	2,970	+ 125	— 14
Real Estate Loans	" "	9,788	8,710	8,746	+ 50	+ 12
Other Loans	" "	11,939	11,156	10,864	+ 142	+ 7
•Total Investments	" "	39,710	36,923	33,632	— 605	+ 8
•U.S. Govt. Obligations	" "	30,296	28,255	25,990	— 887	+ 7
Demand Deposits	" "	57,019	55,243	53,704	+ 348	+ 3
Time Deposits	" "	28,367	26,424	23,020	+ 150	+ 7
Money[19]						
Money in Circulation	" "	31,241	30,521	30,516	+ 125	+ 2
Monetary Gold Stock	" "	20,442	22,513	22,305	— 33	— 9
Security Markets[26]						
Stock Prices-425 Ind.	1941–43=10	60.0	45.0	47.0	+ 2.1	+ 34
" " — 25 Rails	"	35.8	22.6	29.1	+ 0.3	+ 58
" " — 50 Util.	"	45.4	34.5	32.4	+ 1.6	+ 31
Bond Yield Corp. Aa+ (Highest grade)	%	4.142	3.642	3.691	+ 0.002	+ 14

• Indicates series charted (page 2). For sources and footnotes, see page 2.

Ohio Reference Data →

ITEM	Unit or Index Base Period	Feb. 1959 (p)	Jan. 1959 (r)	Change From Last Month: Feb. 1959 from Jan. 1959	Change From Last Year: Feb. 1959 from Feb. 1958	Change From Last Year: 2 mos. 1959 from 1958
General Business						
Per. Income[a]	*Mil. $-Seas. Adj. An. Rate*	21,411	21,269	+ 1 %	+ 5 %	+ 5 %
•Bank Debits[b, f] (16 cities)	*1947–49*	201	205	— 2	+ 9	+ 4
Commercial Failures[13]	*Number*	70	60	+ 17	+ 59	+ 41
Commercial Liabilities[13]	*Thous. Dol.*	3,159	1,854	+ 70	+103	+ 34
Life Ins. Sales[9]	*1947–49*	264	259	+ 2	— 2	— 1
Agr. Income[25]—Total	*1935–39*	238	272	— 13	— 4	— 3
Meat Animals	"	274	312	— 12	— 11	— 8
Dairy Products	"	286	310	— 8	— 1	— 1
Grains	"	237	282	— 16	+ 14	+ 14
Poultry and Eggs	"	136	169	— 20	+ 1	— 2
•Electric Power Produc.[7, f]	*1947–49*	261	263	— 1	+ 13	+ 11
Bit. Coal Production[21]	*Thous. Tons*	1,982	1,762	+ 12	— 12	— 25
Construction (Value of Contracts)[8]						
•Total (3 Mos. Mov. Av.)	*1947–49*	b	255	b	b	b
Total[f]	"	255	235	+ 8	— 2	— 8
Residential[f]	"	360	263	+ 37	+ 72	+ 50
Nonresidential[f]	"	222	279	— 20	+ 7	+ 2
Public Works & Utils.[f]	"	150	98	+ 53	— 67	— 70
Distribution						
Retail Sales[4]:						
All Lines [w] (1,453)[a]	*1947–49*	118	124	— 5	+ 10	+ 7
All Lines[w, d] (1,453)	"	144	142	+ 1	+ 9	+ 6
All Lines[w, f] (1,453)	"	c	c	+ 3	+ 10	+ 7
Food (191)	"	148	165	— 10	+ 2	+ 2
Apparel (132)	"	77	92	— 16	+ 10	+ 3
Furniture (180)	"	83	79	+ 5	+ 11	+ 2
Bldg. Mat. & Hdwe. (276)	"	83	83	+ x	+ 5	— 1
•Dept. Store Sales (26)	"	87	90	— 3	+ 9	+ 3
Dry Cleaners' Sales[1] (31)	"	92	96	— 4	+ 8	+ 2
Passgr. Car Reg., New[2] (53 cos.)	"	136	126	+ 8	+ 39	+ 28
Truck Reg., New[2] (51 cos.)	*Number*	1,962	1,696	+ 16	+ 35	+ 19
Used Car Reg.[2] (41 cos.)	"	69,646	64,536	+ 8	+ 27	+ 12
Placements, Unemployment and Unemployment Compensation[26]						
"Insured Unemp." (Claimants)[m]	*No.*	110,080	116,303	— 5	— 41	— 33
Placements by O.S.E.S.	"	16,212	18,317	— 11	+ 28	+ 31
Registered for Work with O.S.E.S.	"	193,145	186,064	+ 6	— 29	— 26
Total Benefit Payments[m]	*Thous. Dol.*	12,160	13,653	— 11	— 45	— 36
Av. Receiving Benefits Wkly.[m]	*No.*	96,080	100,226	— 4	— 39	— 29
Wkly Benefits per Recipient	*Dol.*	33.12	33.21	— x	— 2	— 1
Unemp. Comp. Fund	*Mil. Dol.*	386	396	— 3	— 34	b
Employment, Pay Rolls and Hours Worked						
Number Employed[3]:						
•Total [w] (3,763)[a]	*1947–49*	95	94	+ 1	— 1	— 3
•Manufacturing [w] (2,127)	"	94	92	+ 2	+ 2	— 1
•Trade, Serv. & Utils. [w] (1,174)	"	105	105	— x	— 3	— 4
•Construction (415)	"	47	48	— 3	— 26	— 29
Payrolls[3]:						
•Total [w] (3,763)	"	165	161	+ 2	+ 10	+ 6
•Manufacturing [w] (2,127)	"	175	168	+ 4	+ 17	+ 11
•Trade, Serv. & Utils. [w] (1,174)	"	167	167	+ x	+ 3	+ 2
•Construction (415)	"	80	79	+ 1	— 19	— 25
•Man-Hours—Mfg.[5, w] (2,121)	"	97	94	+ 3	+ 10	+ 5
Wage Earner Mfg.[35]						
Avg. Hrs. Worked Wkly	*Number*	40.4	40.0	+ 1	+ 7	+ 6

Banking (4th Federal Reserve District)[19]

ITEM	Unit	Mar 18 1959	Mar. 19 1958	Mar. 20 1957	Change From Last Month Amt.	Change From Last Year Per Ct.
Cleveland Federal Reserve Bank						
U.S. Govt. Securities	*Thous. Dol.*	2,250,240	2,058,670	1,999,400	— 4,493	+ 9
Member Bank Borrowings	"	34,152	5,575	47,425	+19,635	+513
Member Banks—4th District						
•Total Loans	*Mil. Dol.*					
Bus. & Agr. Loans & Open Mkt. Paper	"	3,661	3,621	3,653	+ 193	+ 1
	"	1,760	1,840	1,823	+ 55	— 4
Brok. & Other Sec. Lns.	"	286	251	270	— 2	+ 14
Real Estate Loans	"	832	785	782	— 8	+ 6
Other Loans	"	778	734	741	+ 5	+ 6
•Total Investments	"	2,810	2,798	2,855	— 99	+ x
•U.S. Govt. Obligations	"	2,196	2,176	2,053	— 98	+ 1
Demand Deposits	"	3,993	4,040	4,153	— 21	— 1
Time Deposits	"	2,008	1,931	1,822	+ 12	+ 4

• Indicates series charted (page 3, 4 or 5). For sources and footnotes, see page 2.

Business in Ohio

OHIO EMPLOYEE GROSS EARNINGS

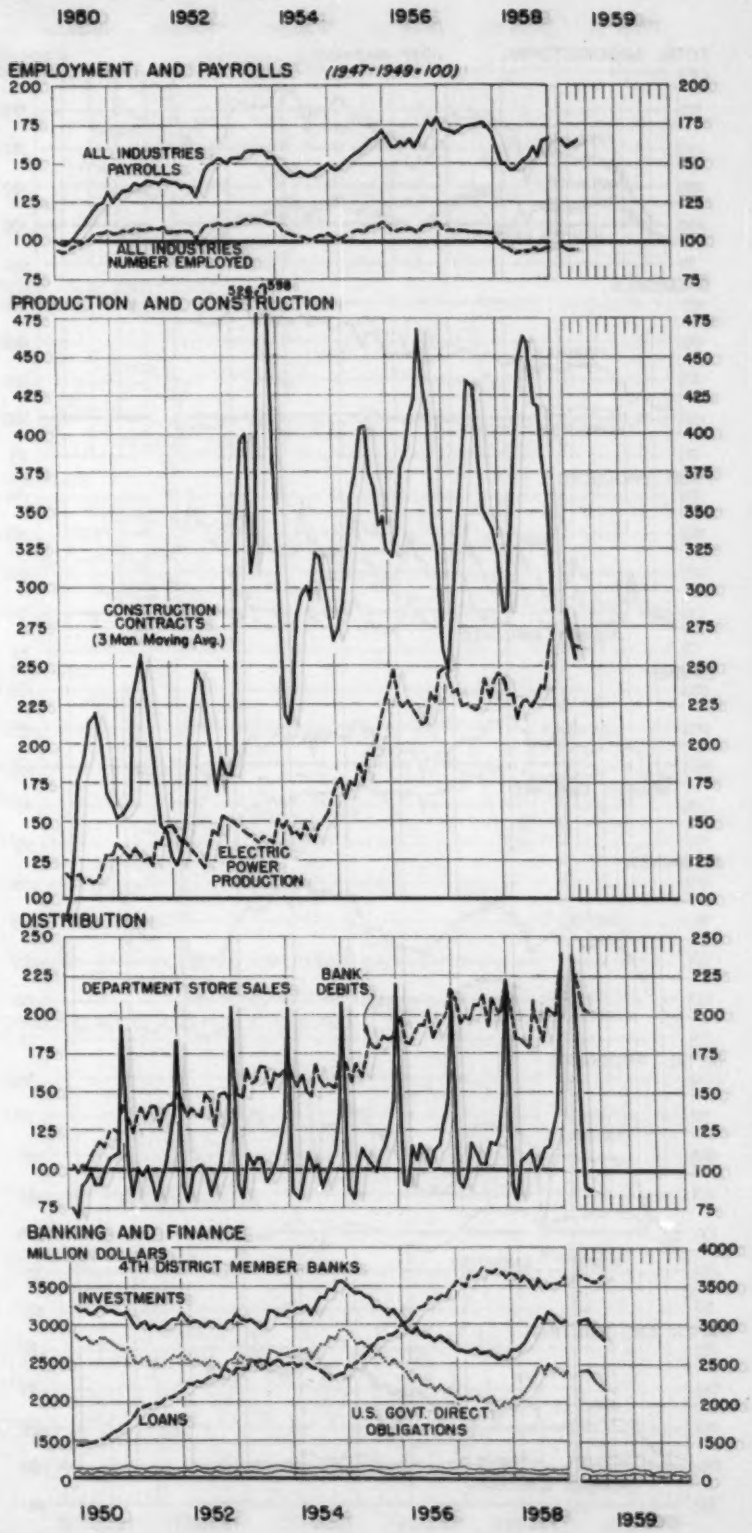
AREA (County or Metropolitan)	Feb., 1959[p] Weekly	Feb., 1959[p] Hourly	Jan., 1959[r] Weekly	Jan., 1959[r] Hourly
Manufacturing[1]:				
Akron[2]	$101.51	$2.66	$103.43	$2.67
Canton[2]	105.10	2.64	102.02	2.60
Cincinnati[2] (283)[a]	96.74	2.35	93.08	2.31
Cincinnati Met. Area[2][3]	94.95	2.32	92.07	2.30
Cleveland[2] (527)	105.85	2.60	106.73	2.60
Cleveland Met. Area[2][3]	104.65	2.57	103.35	2.56
Columbus[2]	95.92	2.36	95.46	2.36
Dayton[2] (102)	111.12	2.73	109.71	2.70
Dayton Met. Area[2][3]	107.42	2.63	106.75	2.62
Toledo[2]	104.29	2.63	104.36	2.61
Youngstown[2] (37)	114.70	2.98	111.87	2.92
Youngstown Met. Area[2][3]	115.82	2.92	113.61	2.88
All other counties[2] (777)	97.41	2.42	98.66	2.46
Total Ohio[2]	101.32	2.61	99.74	2.49
Trade, Service and Utilities[1]:				
Akron (63)	67.89	1.95	69.35	1.78
Canton (35)	76.88	1.94	77.35	1.97
Cincinnati (139)	65.73	1.83	67.21	1.79
Cleveland (185)	82.75	2.12	82.88	2.13
Columbus (96)	69.85	1.76	72.34	1.81
Dayton (47)	79.86	2.02	78.13	1.97
Toledo (64)	81.13	2.13	81.80	2.11
Youngstown (37)	64.96	1.67	63.97	1.69
All other counties (274)	80.25	2.01	80.80	2.03
Total Ohio (940)	76.35	2.11	76.04	2.08
Construction[1]:				
Akron[2]	113.17	3.27	112.70	3.30
Canton[2]	108.18	3.17	104.81	3.13
Cincinnati[2] (62)	115.91	3.28	110.73	3.33
Cincinnati Met. Area[2][3]	115.71	3.23	108.20	3.28
Cleveland[2] (93)	126.81	3.54	123.97	3.54
Cleveland Met. Area[2][3]	126.26	3.52	123.76	3.52
Columbus[2]	107.84	3.11	103.26	3.16
Dayton[2] (24)	115.51	3.22	116.64	3.29
Dayton Met. Area[2][3]	113.80	3.21	114.80	3.27
Toledo[2]	119.09	3.50	122.90	3.47
Youngstown[2] (19)	108.86	3.23	110.37	3.24
Youngstown Met. Area[2][3]	109.19	3.29	114.72	3.30
All other counties[2] (79)	110.07	3.20	106.45	3.19
Total Ohio[2]	119.26	3.38	115.00	3.33
All Industries[2, w]:				
Akron	90.85	2.46	92.53	2.40
Canton	97.06	2.46	95.01	2.44
Cincinnati (484)	86.02	2.18	83.17	2.15
Cleveland (805)	97.80	2.45	98.19	2.46
Columbus	83.76	2.11	84.83	2.13
Dayton (173)	100.96	2.52	99.56	2.49
Toledo	95.75	2.43	96.29	2.46
Youngstown (93)	97.39	2.54	95.43	2.52
All other counties (1,180)	92.29	2.32	93.00	2.35
Total Ohio (3,589)	91.64	2.36	90.38	2.33

[1] Covers production workers in manufacturing and nonsupervisory employees in other categories.
[2] Counties included in metropolitan areas are Cincinnati: Hamilton, Kenton (Ky.), and Campbell (Ky.); Cleveland: Cuyahoga, Lake; Dayton: Montgomery, Greene; Youngstown: Mahoning, Trumbull, and Mercer (Pa.). For industry data see *Labor Market Information*, Division of Research and Statistics, Ohio Bureau of Unemployment Compensation.

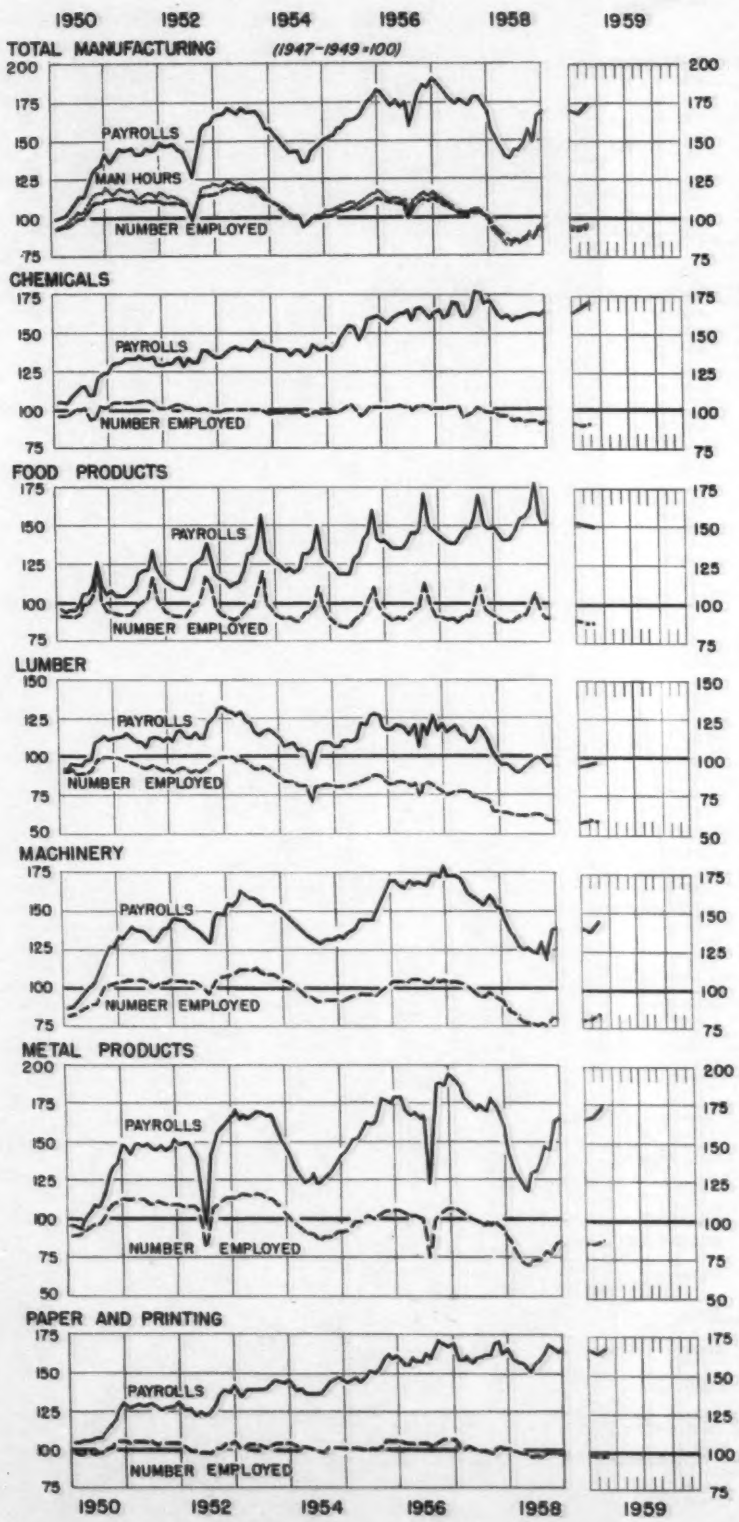
NEW AUTOMOBILE REGISTRATIONS[2]

MAKE OF CAR	EIGHT MAJOR OHIO COUNTIES[1] Feb. 1959 No.	Jan. 1959 No.	Per Cent Change Feb. 1959 from Jan. 1959	Feb. 1959 from Feb. 1958	Percentage of Total 2 mos. 1959
Ford	4,325	3,619	+ 20	+ 78	25
Chevrolet	3,988	4,254	— 7	+ 14	25
Oldsmobile	1,234	1,142	+ 8	+ 30	7
Pontiac	1,100	934	+ 18	+ 64	6
Buick	877	821	+ 7	+ 5	5
Rambler	786	739	+ 6	+222	5
Plymouth	689	960	— 28	— 29	5
Mercury	520	406	+ 28	+ 22	3
Cadillac	458	534	— 14	+ 13	3
Studebaker	437	354	+ 23	+468	2
Dodge	434	439	— 1	— 1	3
Volkswagen	201	200	+ 1	+ 40	1
Edsel	164	156	+ 5	+ 56	1
Chrysler	130	158	— 18	— 24	1
Opel	127	95	+ 34	b	1
Simca[1]	108	68	+ 59	b	1
De Soto	107	123	— 16	— 31	1
Renault[1]	96	92	+ 4	b	1
Fiat[1]	74	60	+ 23	b	*
Metropolitan	62	51	+ 22	+138	*
Others (Foreign)[1]	367	395	— 7	b	2
Others (U.S.)	173	162	+ 7	— 18	1
Total	16,407	15,767	+ 4	+ 38	100

For sources and footnotes, see page 2.
[1] Foreign cars not listed separately by Stark County are included in Others (Foreign).



Number Employed, Payrolls, and M



Manufacturing Employment was up 2 per cent in February from January and from February 1958, but for the first two months of the year was 1 per cent below last year. Six of the 11 major industry groups reported increases in February from January, and 5 groups, from February 1958, but for the first 2 months of the year only 3 groups reported increases from last year.

Manufacturing Payrolls were up 4 per cent in February from January, 17 per cent from February 1958, and for the first 2 months of the year were 11 per cent above last year. Eight of the 11 major groups reported increases in February from January, and all groups reported increases from February 1958 and for the first 2 months of the year as compared with last year.

Man-Hours Worked in Manufacturing were up 3 per cent in February from January, 10 per cent from February 1958, and 5 per cent for the first 2 months of the year as compared with last year. Eight of the 11 major groups

INDUSTRIAL GROUP	Number Employed[a] Index 1947–49=100		Number Employed[a] Change			Index 1947–49=100	
	Feb. 1959 (p)	Jan. 1959 (r)	Feb. 1959 from Jan. 1959	Feb. 1959 from Feb. 1958	2 mos. 1959 from 1958	Feb. 1959 (p)	Jan. 1959 (r)
			%	%	%		
TOTAL[w] (3,763)[a]	95	94	+ 1	— 1	— 3	161	
All Manufacturing[w] (2,127)	94	92	+ 2	+ 2	— 1	168	
Chemicals (136)	91	90	+ 1	— 4	— 6	168	
Food Products (206)	88	88	— *	+ *	— 1	151	
Bakery (48)	96	96	— *	— 1	— 2	175	
Miscellaneous (158)	85	85	— *	+ 1	— *	145	
Lumber Products (74)	60	61	— 3	— 7	— 5	95	
Furniture (32)	65	67	— 2	— 1	— 1	106	
Miscellaneous (42)	56	59	— 4	— 14	— 12	87	
Machinery (464)	84	81	+ 4	— 1	— 5	138	
Elec. Machinery, Apparatus and Supplies (131)	86	81	+ 7	+ 2	— 3	132	
Machine Tools (99)	75	74	+ 1	— 11	— 15	115	
Agricultural Equipment (14)	86	75	+ 14	+ 3	+ 1	141	
Special Machinery and Appliances (220)	85	84	+ 1	— 2	— 4	132	
Metal Products (515)	87	85	+ 2	+ 10	+ 5	167	
Foundry Products and Drop Forgings (61)	96	94	+ 2	+ 12	+ 7	176	
Pipes, Valves, and Plumbers' Supplies (19)	71	71	+ 1	+ 14	+ 12	131	
Screw Machine Products and Hardware (34)	81	82	— 1	+ 2	— 2	149	
Sheet Metal Work (91)	75	76	— 1	+ 8	+ 5	117	
Steel Works and Rolling Mills (111)	111	106	+ 5	+ 13	+ 7	230	
Stoves and Furnaces (8)	56	54	+ 3	+ 12	+ 11	93	
Miscellaneous (191)	71	71	*	+ 7	+ 4	123	
Paper and Printing (224)	98	98	+ *	— 1	— 1	165	
Paper and Pulp (20)	97	98	— 1	+ 3	+ 3	159	
Print. & Publish. (58)	101	99	+ 1	+ 1	+ *	166	
Miscellaneous (166)	89	89	+ *	— 3	— 3	157	
Rubber Products (67)	84	84	— *	+ 1	— 2	143	
Tires and Tubes (12)	76	77	— 1	— 3	— 4	132	
Miscellaneous (55)	110	110	+ *	+ 10	+ 4	191	
Stone, Clay, and Glass Products (138)	82	83	— 1	— 4	— 5	139	
Brick and Tile (44)	76	81	— 5	— 9	— 8	102	
Glass (23)	93	91	+ 2	— 4	— 6	190	
Vitreous and Semi-Vitreous China and Pottery (21)	72	70	+ 3	+ 3	+ 3	102	
Miscellaneous (50)	82	85	— 3	— 8	— 7	133	
Textiles (87)	75	74	+ 2	+ 3	+ 3	106	
Men's Clothing (27)	80	79	+ 2	— 2	— 3	94	
Miscellaneous (60)	75	74	+ 1	+ 7	+ 5	109	
Vehicles (97)	148	141	+ 6	+ 9	+ 5	241	
Autos and Parts (58)	162	151	+ 7	+ 19	+ 13	293	
Cars, Electric and Steam Railway	b	b	b	b	b	b	
Miscellaneous (36)	163	158	+ 3	— 4	— 5	224	
Miscellaneous Mfg. (119)	77	79	— 2	— 4	— 2	120	
Total Trade, Service, and Utilities[w] (1,174)	105	105	+ *	— 3	— 4	167	
Service (224)	115	115	+ *	— 1	— 1	172	
Trade, Ret. & Whsl. (816)	88	88	— *	— 3	— 4	147	
Transp. & Pub. Utils. (184)	106	105	+ 1	— 2	— 4	163	
Construction (415)	47	48	— 3	— 26	— 29	79	
Mines and Quarries (47)	60	60	— 1	— 3	— 5	107	

Indexes of number employed and of payrolls are based on the employment of 656,983 persons in 3,539 firms. Figures in parentheses show number of establishments. fewer firms report man-hours. For sources and footnotes, *see* page 2.

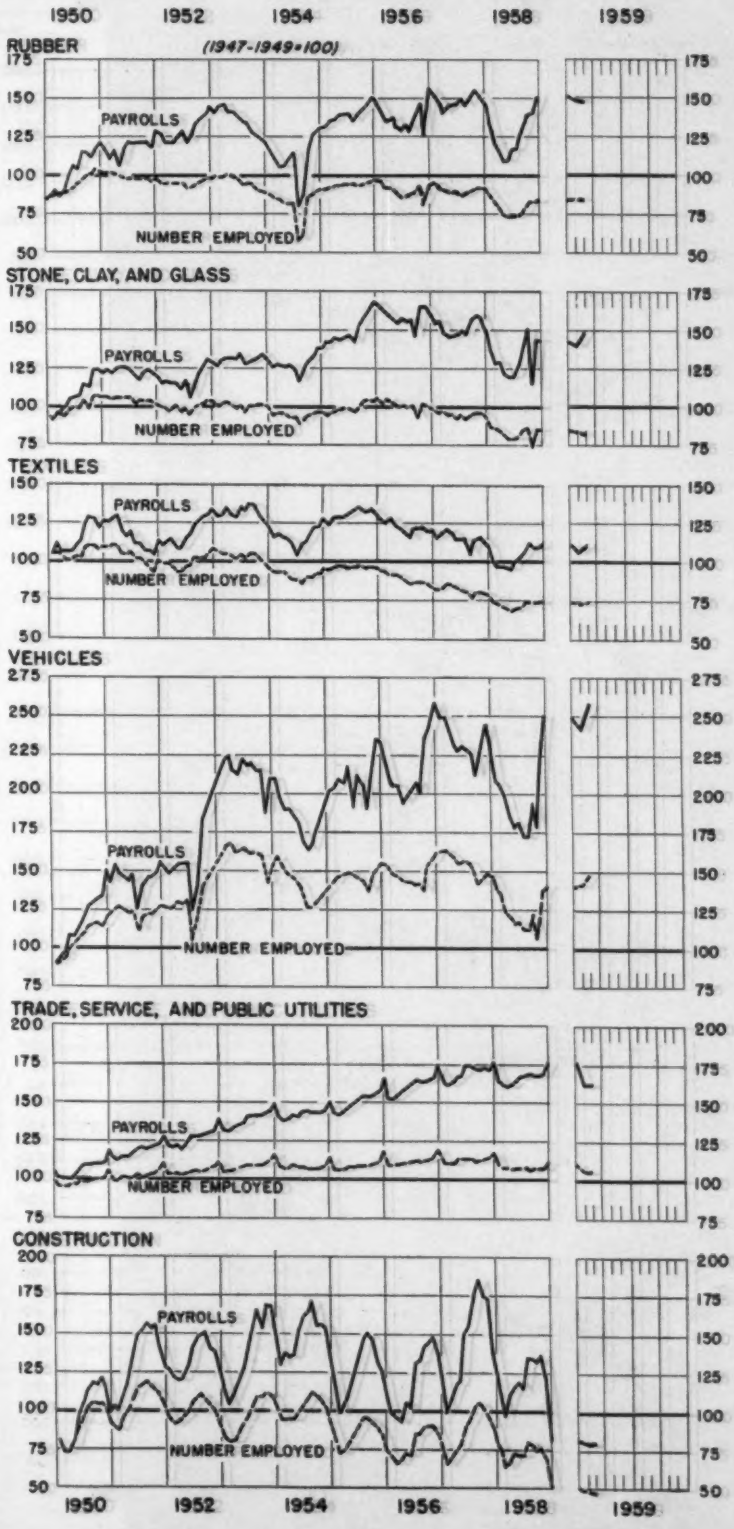
, ad Man-Hours in Ohio Industry

reported increases in February from January, from February of last year, and for the first 2 months of the year.

Trade, Service, and Utilities Employment was up fractionally in February from January, but was 3 per cent below February 1958, and for the first 2 months of the year was 4 per cent below last year. Payrolls were up fractionally in February from January, 3 per cent from February 1958, and 2 per cent for the first 2 months of the year. Man-hours worked were down 1 per cent in February from January, 3 per cent from February 1958, and for the first 2 months of the year were below 1958.

Construction Employment was down 3 per cent in February from January, 26 per cent from February 1958, and 29 per cent for the first 2 months of the year.

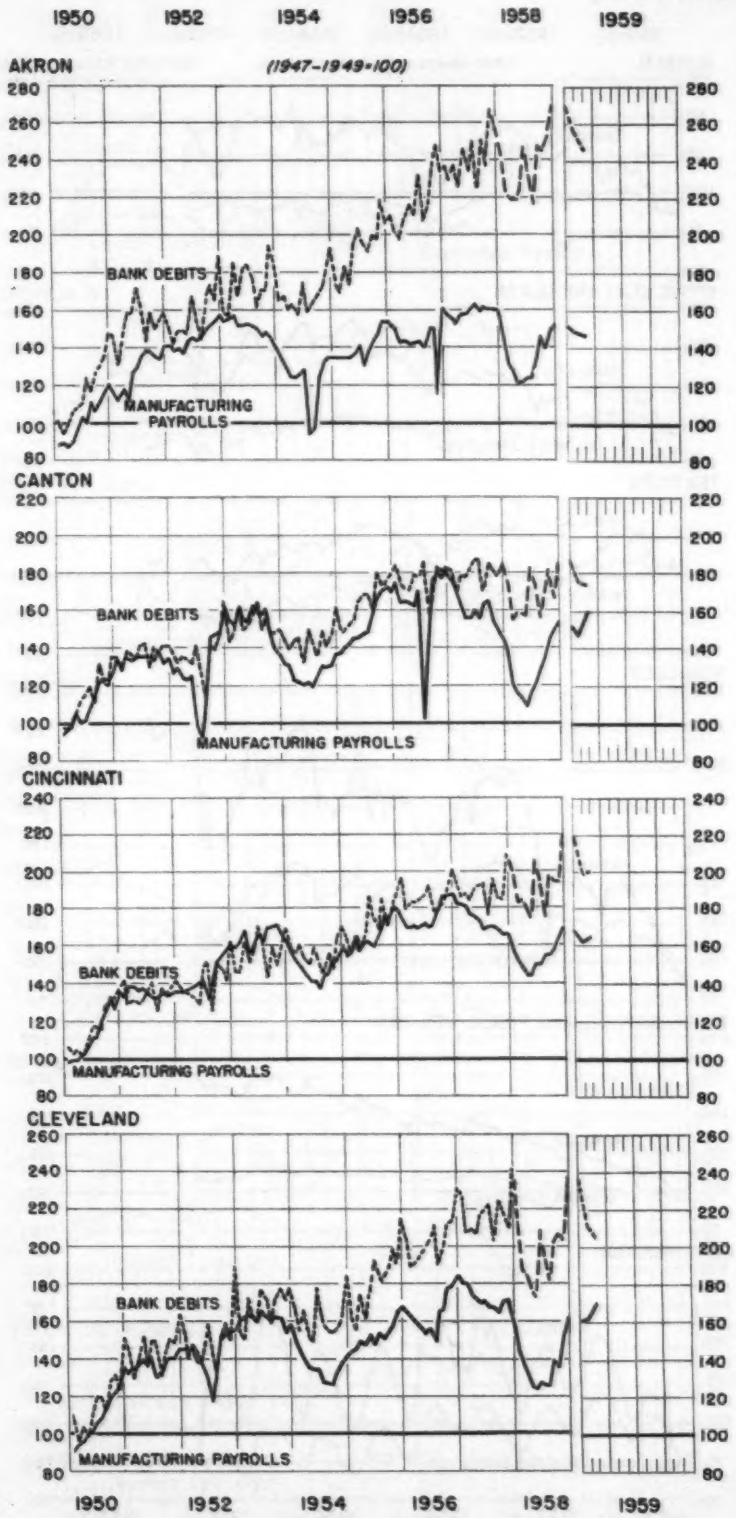
Mines and Quarries Employment was down 1 per cent in February from January, 3 per cent from February 1958, and 3 per cent for the first 2 months of the year.



	Payrolls[a]				Man-Hours[a]				
	Index 1947–49=100		Change		Index 1947–49=100		Change		
	Feb. 1959 (p)	Jan. 1959 (r)	Feb. 1959 from Jan. 1959	Feb. 1959 from Feb. 1958	Feb. 1959 (p)	Jan. 1959 (r)	Feb. 1959 from Jan. 1959	Feb. 1959 from Feb. 1958	2 mos. 1959 from 1958
			%	%			%	%	%
	161	157	+ 2	+ 10			+ 1	+ 3	+ 1
	168	162	+ 4	+ 17	97	94	+ 3	+ 10	+ 5
	166	163	+ 2	+ 6	99	98	+ 1	— 1	— 3
	151	152	— 1	+ 7	86	87	— 1	+ 1	+ x
	175	173	+ 1	+ 3	98	97	+ 1	— 2	— 3
	145	146	— 1	+ 8	83	84	— 2	+ 2	+ 1
	95	94	+ 1	+ 1	62	61	+ 1	— 1	— 2
	106	105	+ 1	+ 8	69	69	+ 1	+ 5	+ 5
	87	86	+ 1	— 9	57	56	+ 1	— 9	— 10
	138	131	+ 5	+ 6	86	83	+ 4	+ 2	— 3
	132	125	+ 7	+ 8	96	91	+ 6	+ 11	+ 4
	115	110	+ 5	— 16	68	65	+ 4	— 22	— 27
	141	135	+ 6	+ x	81	76	+ 7	— 2	— 1
	152	150	+ 2	+ 12	88	86	+ 2	+ 4	+ x
	167	163	+ 4	+ 33	85	82	+ 3	+ 24	+ 16
	176	173	+ 3	+ 30	122	119	+ 3	+ 23	+ 18
	131	126	+ 5	+ 31	73	70	+ 4	+ 22	+ 19
	149	151	— 2	+ 12	82	83	— 2	+ 6	+ 3
	117	115	+ 2	+ 14	75	75	+ 1	+ 16	+ 10
	239	232	+ 7	+ 47	106	100	+ 6	+ 34	+ 23
	83	85	— 2	+ 18	47	48	— 1	+ 14	+ 16
	123	122	+ 1	+ 24	70	70	+ x	+ 15	+ 11
	165	163	+ 2	+ 7	100	99	+ 1	+ 2	+ x
	159	158	+ 1	+ 10	92	92	— x	+ 5	+ 4
	166	163	+ 3	+ 7	107	104	+ 2	+ 2	+ 1
	157	156	+ 1	+ 5	93	92	+ 1	+ 1	— 1
	148	148	— x	+ 22	89	90	— x	+ 14	+ 9
	132	131	+ 1	+ 19	79	79	+ x	+ 12	+ 6
	191	193	— 2	+ 27	115	116	— 1	+ 20	+ 14
	139	134	+ 5	+ 15	85	82	+ 4	+ 6	+ 2
	102	100	+ 2	+ 5	62	62	— x	+ x	— 1
	190	179	+ 11	+ 24	110	104	+ 5	+ 8	— x
	102	92	+ 10	+ 14	76	69	+ 11	+ 11	+ 9
	133	133	+ x	+ 8	82	83	— x	+ 4	— x
	106	102	+ 4	+ 14	70	67	+ 5	+ 10	+ 6
	94	99	— 5	— x	62	58	+ 3	— x	— 4
	109	105	+ 4	+ 20	75	72	+ 3	+ 15	+ 11
	241	233	+ 8	+ 27	144	135	+ 7	+ 19	+ 14
	283	273	+ 10	+ 42	170	156	+ 9	+ 31	+ 24
b	224	220	+ 4	+ 7	b 134	b 130	+ 3	+ 3	+ 1
	120	121	— 1	+ 5	75	75	— 1	— x	+ 1
	107	106	+ x	+ 3	86	87	— 1	— 3	— 3
	172	171	+ 1	+ 4	69	69	— 1	— 2	— 2
	147	148	— 1	+ 2	80	82	— 2	— 4	— 4
	168	164	+ 4	+ 6	110	109	+ 1	— 2	— 2
	79	81	— 1	— 19	*	*	+ x	— 19	— 26
	107	104	+ 3	+ 9	66	65	+ x	+ 4	+ 2

[a] 684,892 persons in 3,763 firms; indexes of man-hours, on the employ- ... of establishments reporting employment and payrolls. In some cases

Business Conditions in



AKRON

February total employment was slightly higher than January employment, but February total payrolls were 1 per cent lower than January payrolls. Compared with February 1958, current total payrolls were up 8 per cent, but current total employment was down 5 per cent.

Retail sales in February decreased 3 per cent from sales in January, but increased 6 per cent over sales in February last year.

February bank debits were 4 per cent lower than January debits, but were 10 per cent greater than February debits a year ago.

Industrial power consumption gained 14 per cent in February over January and 10 per cent over February 1958.

CANTON

Manufacturing employment in February was 4 per cent higher than in January and 10 per cent higher than in year-ago February. Payrolls in manufacturing showed increases of 8 per cent in the February-to-January comparison and 33 per cent in the February-to-February comparison.

February retail sales were down 8 per cent from January sales and 2 per cent from year-ago sales.

Bank debits in February declined 1 per cent from debits in January, but increased 13 per cent over debits in February last year.

The total value of building permits in February declined 83 per cent from both the corrected January figure and the year-ago February figure.

CINCINNATI

Total employment in February decreased 2 per cent from employment in January and 1 per cent from employment in February 1958. February payrolls were up consistently from January payrolls, as all categories increased 2 per cent. Compared with February 1958 payrolls, current total payrolls were 8 per cent higher.

Sales of retail stores were down 6 per cent in February from January, but were up 9 per cent from sales in February last year.

February retail food prices declined 1 per cent from prices in both January 1959 and February 1958.

The district steel industry operated at 92 per cent of theoretical capacity in February.

CLEVELAND

February total employment was 1 per cent higher than January employment, but was 1 per cent lower than year-ago February employment despite a 5 per cent increase in manufacturing. Total payrolls in February increased 3 per cent over January payrolls and 12 per cent over February payrolls a year ago. Manufacturing payrolls were up 23 per cent over payrolls last year.

February retail sales were down 3 per cent from January sales, but were up 11 per cent over February sales in 1958.

Retail food prices in February were 1 per cent lower than in both earlier months compared.

The February average operating rate for the district steel industry was 87 per cent of capacity.

ITEM	Unit or Index Base Period	Feb. 1959 (p)	Jan. 1959 (r)	Change From Last Month: Feb. 1959 from Jan. 1959	Change From Last Year: Feb. 1959 from Feb. 1958	Change From Last Year: 2 mos. 1959 from 1958
AKRON						
Number Employed[3,z]:				%	%	%
Total[w] (183)[a]	1947–49	97	96	+ x	— 5	— 7
Manufacturing (85)[a]	"	85	85	— x	— 6	— 8
Trade, Serv. and Utils. (74)[a]	"	125	123	+ 2	— 5	— 4
Construction (24)[a]	"	47	49	— 3	— 22	— 25
Payrolls[3,z]: Total[w] (183)[a]	"	153	154	— 1	+ 8	+ 4
•Manufacturing (85)[a]	"	147	148	— 1	+ 12	+ 7
Trade, Serv. and Utils. (74)[a]	"	178	178	+ x	+ 1	— x
Construction (24)[a]	"	84	87	— 4	— 9	— 18
Retail Sales[4,z] (87)[a]	%	c	c	— 3	+ 6	+ 1
Auto Titles Filed[3,z]: New Cars	Number	1,413	1,407	+ x	+ 47	+ 32
" " " New Trucks	"	132	96	+ 38	+ 21	+ 25
•Bank Debits Index[6,f]	1947–49	245	254	— 4	+ 10	+ 8
Commercial Failures[13]	Number	3	5	2†	+ 3†	+ 7†
" Liabilities[13]	Thous. Dol.	78	100	— 22	y	y
Indus. Power Consump. Index[5,f]	1947–49	157	137	+ 14	+ 10	+ 7
Value Bldg. Permits[10,f]: Total[b]	"	118	72	+ 62	— 18	— 15
Residential	"	145	113	+ 28	+ 5	+ 17
Nonresidential	"	64	25	+152	— 52	— 58
CANTON						
Number Employed[3,z]:						
Total[w] (137)[a]	1947–49	86	84	+ 2	+ 6	+ 3
Manufacturing (76)[a]	"	84	81	+ 4	+ 10	+ 5
Trade, Serv. and Utils. (43)[a]	"	92	92	— 1	— 3	— 3
Construction (18)[a]	"	73	77	— 4	+ 11	+ 3
Payrolls[3,z]: Total[w] (137)[a]	"	155	146	+ 6	+ 25	+ 18
•Manufacturing (76)[a]	"	160	147	+ 8	+ 33	+ 23
Trade, Serv. and Utils. (43)[a]	"	148	151	— 2	+ 3	+ 3
Construction (18)[a]	"	107	108	— 1	+ 21	+ 6
Retail Sales[4,z] (40)[a]	%	c	c	— 8	— 2	— 2
Auto Titles Filed[3,z]: New Cars	Number	836	902	— 7	+ 6	+ 17
" " " New Trucks	"	98	85	+ 15	— 47	— 31
•Bank Debits Index[6,f]	1947–49	174	175	— 1	+ 13	+ 6
Commercial Failures[13]	Number	3	1	+ 2†	+ 2†	+ 2†
" Liabilities[13]	Thous. Dol.	50	32	+ 56	y	y
Value Bldg. Permits[10,f]: Total[b]	"	18	107	— 83	— 83	— 14
Residential	"	21	5	+363	+109	— 1
Nonresidential	"	1	353	—100	—100	— 22
CINCINNATI						
Number Employed[3,z]:						
Total[w] (508)[a]	1947–49	78	80	— 2	— 1	— 2
Manufacturing (285)[a]	"	89	90	— 2	+ 1	+ 1
Trade, Serv. and Utils. (161)[a]	"	66	66	— x	— 5	— 7
Construction (62)[a]	"	79	83	— 4	+ 8	+ 4
Payrolls[3,z]: Total[w] (508)[a]	"	143	140	+ 2	+ 8	+ 5
•Manufacturing (285)[a]	"	165	162	+ 2	+ 9	+ 6
Trade, Serv. and Utils. (161)[a]	"	104	102	+ 2	+ 5	+ 2
Construction (62)[a]	"	158	155	+ 2	+ 17	+ 5
Retail Sales[4,z] (150)[a]	%	c	c	— 6	+ 9	+ 7
Auto Titles Filed[3,z]: New Cars	Number	2,555	2,623	— 3	+ 18	+ 18
" " " New Trucks	"	240	203	+ 18	+ 59	+ 32
Retail Food Price Index[12]	1947–49	119	120	— 1	— 1	— x
•Bank Debits Index[6,f]	"	201	199	+ 1	+ 10	+ 5
Commercial Failures[13]	Number	3	3	0†	— 1†	— 5†
" Liabilities[13]	Thous. Dol.	18	69	— 74	— 82	— 77
Value Bldg. Permits[10,f]: Total[b]	"	42	70	— 40	— 61	— 24
Residential	"	47	51	— 8	— 49	— 35
Nonresidential	"	42	155	— 73	— 80	— 20
Steel Ind. Oper. Rate[27]	4 Wks. Av. % Cap.	92	84	+ 10	+ 97	+ 61
CLEVELAND						
Number Employed[3,z]:						
Total[w] (867)[a]	1947–49	93	92	+ 1	— 1	— 3
Manufacturing (528)[a]	"	93	91	+ 3	+ 5	+ 1
Trade, Serv. and Utils. (245)[a]	"	97	97	— x	— 4	— 5
Construction (94)[a]	"	56	63	— 11	— 35	— 34
Payrolls[3,z]: Total[w] (867)[a]	"	162	158	+ 3	+ 12	+ 8
•Manufacturing (528)[a]	"	170	163	+ 4	+ 23	+ 17
Trade, Serv. and Utils. (245)[a]	"	162	160	+ 1	+ 1	+ x
Construction (94)[a]	"	87	96	— 9	— 25	— 29
Retail Sales[4,z] (193)[a]	%	c	c	— 3	+ 11	+ 5
Auto Titles Filed[3,z]: New Cars	Number	5,480	4,914	+ 12	+ 41	+ 26
" " " New Trucks	"	281	304	— 8	+ 13	— 2
Retail Food Price Index[12]	1947–49	114	115	— 1	— 1	— 1
•Bank Debits Index[6,f]	"	205	211	— 3	+ 9	+ 3
Commercial Failures[13]	Number	15	15	0†	0†	+ 5†
" Liabilities[13]	Thous. Dol.	540	334	+ 62	+ 28	+ 11
Value Bldg. Permits[10,f]: Total[b]	"	103	75	+ 38	— 9	— 7
Residential	"	79	65	+ 22	+113	+137
Nonresidential	"	125	68	+ 84	+ 10	— 3
Steel Ind. Oper. Rate[27]	4 Wks. Av. % Cap.	87	82	+ 6	+152	+104

• Indicates series charted (page 6). For sources and footnotes, see page 2.

ITEM	Unit or Index Base Period	Feb. 1959 (p)	Jan. 1959 (r)	Change From Last Month: Feb. 1959 from Jan. 1959	Change From Last Year: Feb. 1959 from Feb. 1958	Change From Last Year: 2 mos. 1959 from 1958
COLUMBUS						
Number Employed[3,z]:				%	%	%
Total[w] (270)[a]	1947–49	99	100	— x	— 2	— 3
Manufacturing (113)[a]	"	89	89	+ x	— 3	— 5
Trade, Serv. and Utils. (118)[a]	"	114	115	— 1	— 1	— 1
Construction (39)[a]	"	63	61	+ 2	+ 3	— 6
Payrolls[3,z]: Total[w] (270)[a]	"	169	169	+ x	+ 7	+ 5
•Manufacturing (113)[a]	"	166	165	+ 1	+ 8	+ 5
Trade, Serv. and Utils. (118)[a]	"	192	192	— x	+ 7	+ 6
Construction (39)[a]	"	66	64	+ 2	+ 10	— 5
Retail Sales[4,z] (124)[a]	%	c	c	+ x	+ 19	+ 10
Auto Titles Filed[2,z]: New Cars	Number	2,303	2,011	+ 15	+ 41	+ 24
" " " New Trucks	"	184	154	+ 19	+ 57	+ 48
•Bank Debits Index[3,f]	1947–49	207	212	— 3	+ 7	+ 5
Commercial Failures[13]	Number	2	4	— 2†	0†	— 1†
" Liabilities[13]	Thous. Dol.	327	136	+140	+808	+429
Value Bldg. Permits[10,z]: Total[b]	"	389	73	+431	+ 68	+ 12
Residential	"	167	67	+150	— 50	— 60
Nonresidential	"	1,065	55	+ y	+ y	+550
DAYTON						
Number Employed[3,z]:						
Total[w] (186)[a]	1947–49	85	85	+ x	— x	— 2
Manufacturing (105)[a]	"	88	88	+ x	+ x	— 2
Trade, Serv. and Utils. (57)[a]	"	86	86	— x	— 2	— 2
Construction (24)[a]	"	44	42	+ 5	— 6	— 13
Payrolls[3,z]: Total[w] (186)[a]	"	148	147	+ 1	+ 9	+ 6
•Manufacturing (105)[a]	"	152	151	+ 1	+ 11	+ 8
Trade, Serv. and Utils. (57)[a]	"	153	152	+ 1	+ 5	+ 3
Construction (24)[a]	"	71	68	+ 4	+ 7	— 5
Retail Sales[4,z] (49)[a]	%	c	c	— 6	+ 24	+ 16
Auto Titles Filed[2,z]: New Cars	Number	1,863	1,874	— 1	+ 74	+ 51
" " " New Trucks	"	135	117	+ 15	+ 85	+ 47
•Bank Debits Index[3,f]	1947–49	205	217	— 6	+ 10	+ 8
Commercial Failures[13]	Number	1	4	— 3†	+ 1†	+ 4†
" Liabilities[13]	Thous. Dol.	34	173	— 80	+ y	+130
Indus. Power Consump. Index[3,f]	1947–49	188	173	+ 8	+ 11	+ 9
Value Bldg. Permits[10,z]: Total[b]	"	63	24	+150	— 22	— 49
Residential	"	19	19	+ 1	+124	+ 45
Nonresidential	"	110	15	+612	— 37	— 47
TOLEDO						
Number Employed[3,z]:						
Total[w] (229)[a]	1947–49	77	74	+ 4	+ 1	— 3
Manufacturing (118)[a]	"	75	69	+ 8	+ 6	— 2
Trade, Serv. and Utils. (77)[a]	"	79	78	+ x	— 2	— 3
Construction (34)[a]	"	84	87	— 4	— 11	— 9
Payrolls[3,z]: Total[w] (229)[a]	"	127	122	+ 4	+ 9	+ 4
•Manufacturing (118)[a]	"	129	119	+ 9	+ 17	+ 7
Trade, Serv. and Utils. (77)[a]	"	121	122	— 1	+ 1	+ 2
Construction (34)[a]	"	139	149	— 7	— 10	— 4
Retail Sales[4,z] (82)[a]	%	c	c	— 4	+ 8	+ 5
Auto Titles Filed[2,z]: New Cars	Number	1,327	1,318	+ 1	+ 39	+ 17
" " " New Trucks	"	136	104	+ 31	+131	+ 57
•Bank Debits Index[3,f]	1947–49	173	175	— 1	+ 5	+ 1
Commercial Failures[13]	Number	5	11	— 6†	— 4†	0†
" Liabilities[13]	Thous. Dol.	129	150	— 14	— 81	— 61
Indus. Power Consump. Index[3,f]	1947–49	212	194	+ 9	+ 18	+ 12
Value Bldg. Permits[10,z]: Total[b]	"	37	84	— 56	— 50	— 22
Residential	"	76	45	+ 68	+109	+106
Nonresidential	"	9	105	— 92	— 89	— 40
YOUNGSTOWN						
Number Employed[3,z]:						
Total[w] (100)[a]	1947–49	82	79	+ 4	+ 7	+ 4
Manufacturing (37)[a]	"	76	72	+ 6	+ 6	+ x
Trade, Serv. and Utils. (44)[a]	"	95	94	+ 1	+ 7	+ 6
Construction (19)[a]	"	71	63	+ 13	+ 40	+ 19
Payrolls[3,z]: Total[w] (100)[a]	"	182	169	+ 7	+ 30	+ 24
•Manufacturing (37)[a]	"	193	175	+ 11	+ 32	+ 24
Trade, Serv. and Utils. (44)[a]	"	168	171	— 2	+ 24	+ 23
Construction (19)[a]	"	108	99	+ 9	+ 42	+ 20
Retail Sales[4,z] (80)[a]	%	c	c	+ 3	+ 13	+ 6
Auto Titles Filed[2,z]: New Cars	Number	630	713	— 12	+ 41	+ 36
" " " New Trucks	"	72	64	+ 13	+ 95	+ 66
•Bank Debits Index[3,f]	1947–49	167	175	— 5	+ 2	+ 1
Commercial Failures[13]	Number	0	2	— 2†	— 1†	0†
" Liabilities[13]	Thous. Dol.	0	77	—100	—100	— 48
Indus. Power Consump. Index[3,f]	1947–49	142	131	+ 8	+ 21	+ 19
Value Bldg. Permits[10,z]: Total[b]	"	158	60	+163	+117	— 12
Residential	"	133	40	+230	+107	+ 77
Nonresidential	"	252	93	+169	+ 81	— 41
Steel Ind. Oper. Rate[27]	.4 Wks. Av. % Cap.	78	65	+ 20	+ 45	+ 30

• Indicates series charted (page 7). For sources and footnotes, see page 2.

the Chief Ohio Cities

COLUMBUS

Total employment and payrolls in February changed only slightly from January levels, as subgroup changes ranged between a 1 per cent drop and a 2 per cent rise. Compared with February a year ago, current total employment was down 2 per cent, and current total payrolls were up 7 per cent.

Retail sales in February were up fractionally over sales in January and 19 per cent over sales in February 1958.

February bank debits declined 3 per cent from January debits, but increased 7 per cent over February debits last year.

The value of nonresidential building permits in February reached a level 10 times higher than the average monthly value in the base period, 1947-49.

DAYTON

Both total employment and manufacturing employment in February changed only fractionally from corresponding figures in January 1959 and February 1958. Total payrolls in February were 1 per cent higher than payrolls in January and 9 per cent higher than payrolls in February a year ago.

Although February retail sales dropped 6 per cent below January sales, they rose 24 per cent above year-ago February sales.

The latter gain was undoubtedly affected by the 74 per cent increase over last February in the number of new car titles filed in Montgomery County during February 1959.

TOLEDO

An increase of 4 per cent occurred in the February-to-January comparison of both total employment and total payrolls. Total employment in February was 1 per cent higher than last February, and total payrolls were 9 per cent higher than last February. Total gains were caused by increased employment and higher payrolls in manufacturing.

February retail sales were 4 per cent lower than January sales, but were 8 per cent greater than February sales in 1958.

The consumption of industrial power increased 9 per cent in February over January and 18 per cent over February last year.

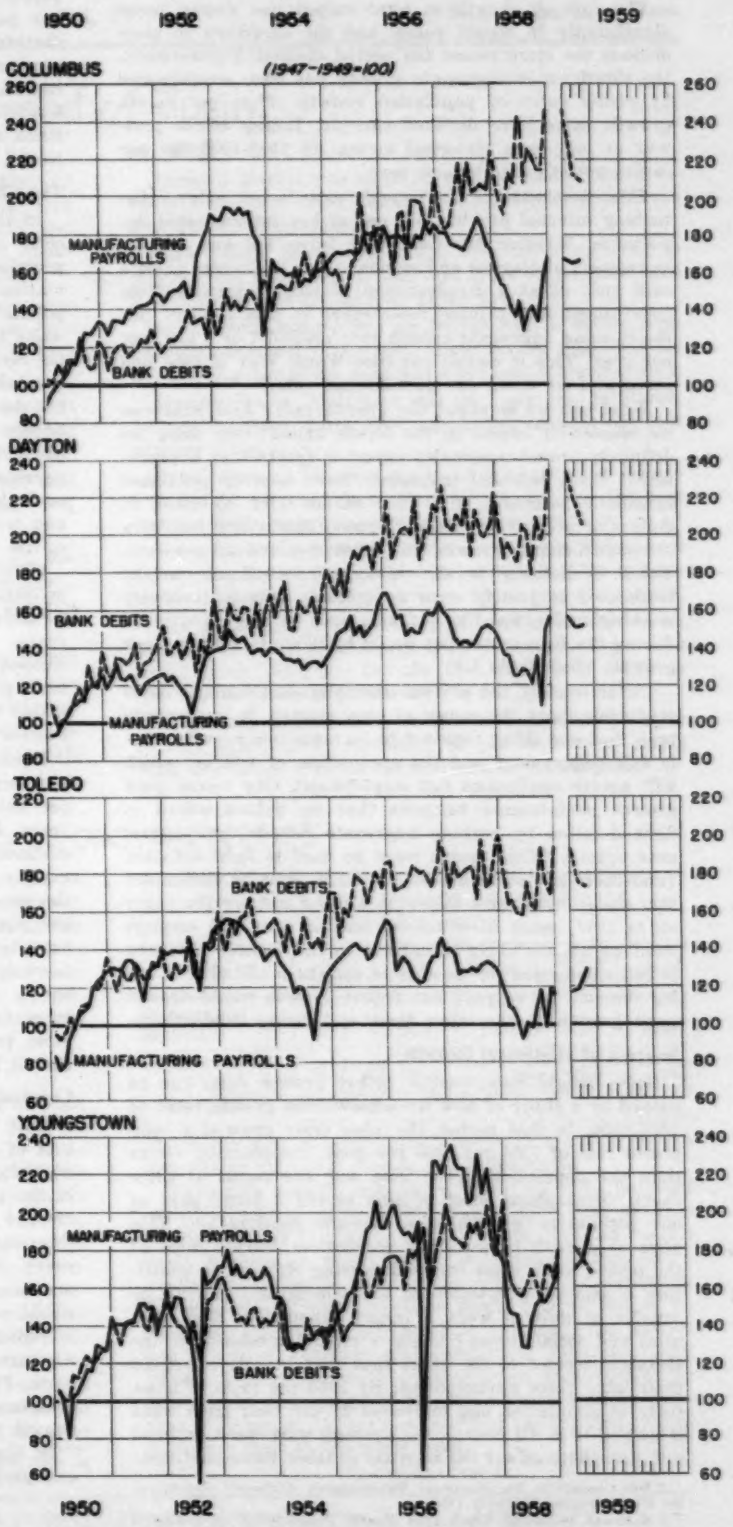
YOUNGSTOWN

Total employment in February increased 4 per cent over employment in January and 7 per cent over employment in February 1958. Total payrolls in February were 7 per cent greater than payrolls in year-ago February.

Retail sales in February were up 3 per cent over January sales and 13 per cent over February sales in 1958.

Bank debits in February were 5 per cent lower than in January, but were 2 per cent higher than in February last year.

February industrial power consumption was up 8 per cent and 21 per cent over January 1959 and February 1958, respectively.



The Decline in Economic Growth

(Continued from page 1)

The rate of growth in total output has slowed down significantly in recent years, and the slowdown is more obvious the more recent the period studied. Furthermore, the slowdown in aggregate growth has been accompanied by *rising rates* of population growth. Thus per capita growth rates have declined sharply, falling below post-war or long-term historical norms. In 1955-1957 the per capita growth rate became zero.

This slowdown in the growth rate is not only a disturbing internal problem but one of key international importance. Whether the Cold War turns hot and nuclear or remains ideological and economic, our low recent growth rate puts us at a disadvantage. Various estimates from government and private researchers in this country put the Russian aggregate growth rate around 7 or 8 per cent per year. This is double our post-World War II rate and three or four times our post-Korean rate.[1]

What can we do about our growth rate? And what can we reasonably expect in the decade ahead? One thing we definitely *cannot* reasonably expect is spectacular improvement! Some national magazines have recently published optimistic forecasts of a $750 billion GNP by 1970, in dollars of present purchasing power. This would require a compound annual growth rate between 4 and 4.5 per cent. There is nothing in our historical record or current tendencies to justify such a forecast. Only an economy working under war-like controls such as we experienced during the Korean conflict would be likely to achieve such growth. (See Table 1.)

Unfortunately, the present unemployment leads to much confusion about the causes of slow growth. It is certainly true that one thing required to increase our growth rates is full employment and the application of policies which will assure continuous full employment. Our recent poor growth performance suggests that we cannot afford to fight inflation by curbing aggregate demand and aggregate output. Other means must be used to fight inflation (and there are other means!). But it must be recognized that the growth rates shown in Table 1 are for the years *up to 1957*, years in which we had as near full employment as we are likely to achieve in the future. A return to full employment in the coming months would give us *one big increase* in output; but future growth would depend upon growth in the labor force and rising productivity.

Sources of Historical Growth

Some insight into feasible future growth rates can be gained by a study of how we achieved the growth rates of 1875-1950. In that period, the labor force grew at a compound rate of 1.95 per cent per year, considerably faster than the population grew. This was the result of three facts. Throughout most of this period a large part of our population growth was through immigration. This gave us growth in work-age population. During most of the period birth rates declined causing children to constitute a smaller proportion of the population, and adults capable of gainful work a larger proportion. And technical and social forces brought a virtual revolution in the status of women to the effect that they greatly increased their labor force participation. By 1950 the ratio of labor force to population had increased 27 per cent from what it was in 1875. Of course, the average work-week declined and just about off-set the increase in labor force participation so that by 1950 the ratio of man hours worked to population was a little below what it was in the late 1800's. So our historical growth was achieved by keeping our per capita work input about constant. The growth therefore came from a great increase in capital and improvements in technology and knowhow which made both capital and labor more productive. Total capital increased ten-fold from 1875 to 1950, and each worker had about 3 times as much capital to work with in the later year as he did in the earlier year.

The Changed Growth Environment

In the last decade, however, our population growth has come almost entirely from births and increased life expectancy. This has given us an age structure of the population adverse to labor force growth. In the 1950's the population has grown at about 1.7 per cent per year, while the labor force has grown at only about 1.1 or 1.2 per cent per year. With the average work week remaining constant during this period, the per capita work input has declined steadily. Thus we have placed a much greater burden upon capital and technology than we did historically. To have achieved growth rates in recent years comparable to past growth rates would have required either or both increased rates of saving and capital formation and technical innovations that would cause productivity to rise faster than historically.

Government statistics show that the per cent of output or income devoted to savings and net capital formation has remained about constant or declined slightly in recent years. Furthermore, rapid population growth has increased the share of our savings going into housing and basic public utilities that do little to increase output. The actual rate of saving available for what we consider productive industrial capital has probably been declining.

Equally disturbing is the fact that, considering the economy as a whole, we are not increasing our output per unit of capital and labor any faster than in earlier years. Much of increased capital goes to off-set resource declines. Also we are now expanding our economy most rapidly in those areas where productivity is the lowest—the service industries. Ewan Clague, Commissioner of Labor Statistics, U. S. Department of Labor, recently reported that ". . . as far as our figures are concerned, there is nothing more spectacular occurring in productivity . . . now . . . than occurred after World War I. . . . In so far as automation may be a factor modifying previous relationships . . ., our general conclusion to date is that it has had no significant effect."[2]

Conclusions

With per capita work input declining significantly, the rate of capital formation stagnant or declining, and productivity holding steady, the result has been a slowdown in the growth rate. Only a change in the birth rate, increased saving, an improvement in productivity, or all three could restore the growth rates of the early post-war years. Again, it should be emphasized that removal of present unemployment would be of importance, but it would not change the basic long-run problems. Projection of probable developments for the next decade suggest that a return to a growth rate equal to the long-term historical norm (3.5 per cent per year) would be a considerable achievement. The optimists speaking of 4 and 5 per cent growth rates seem to be out of tune with reality.

In next months' *Bulletin* we will elaborate this analysis and project it to 1970.

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1 See: Committee for Economic Development, *Economic Growth in the United States*, February 1958.

2 National Industrial Conference Board, *Productivity in Industry*, Studies in Business Economics No. 51, 1956, p. 14.